

# *Rising to the challenge*

Canadian perspectives on the  
Global Entertainment & Media  
Outlook: 2013–2017

*Insights from Canadian  
entertainment and media  
leaders*



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## ***Contents***

Foreword	3
Cord cutting isn't the issue—convenience is	4
Second screen: friend or foe?	10
Strategic alliances	14
Forging the future	18
Appendix	
Entertainment and media advertising spend in Canada	22
Entertainment and media spend in Canada	24
Entertainment and media consumer spend in Canada	24
Participant profiles	25
Global entertainment and media outlook	30
Contacts	31

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# Foreword



Canada's entertainment and media (E&M) sector is a dynamic ecosystem—where content creators, producers, publishers, broadcasters, distributors, advertisers and regulators work to generate and share engaging content for Canadian and international consumers. It's an ecosystem that's flourished and blossomed into an impressive \$42 billion industry.

It's also an ecosystem in transition. With technological advances happening constantly, and consumers engaging with content like no other time in history, there's pressure on sector participants to evolve. For some subsectors—like newspaper publishing—changes have been fundamental. Digital and real-time publishing have made sure of that. But for other subsectors, the changes—and the business value attached to them—are still uncertain.

In PwC's *Global Entertainment & Media Outlook: 2013–2017*, we provide insights on expected growth across E&M subsectors over the next five years. We also discuss major trends, including cord-cutting, the use of a second screen and the value of strategic alliances.

But every country is unique, and we wanted to understand how these trends are viewed here in Canada. So, we sat down with almost two-dozen E&M sector leaders to gain their insights.

Our conversations suggest that traditional business models are still dominating within the Canadian market—and will continue to do so for years to come. But many stakeholders still recognize there's a need to think beyond the status quo—to continue to explore and experiment with new models of revenue generation, new ways to attract advertisers and sponsors, and new ways to engage consumers.

We believe that customer engagement will be the critical piece in the evolving industry puzzle. And Canadian companies are already working to define the right balance between quality, price, and ease-of-access that consumers need in order to engage—and stay engaged—with Canadian content.

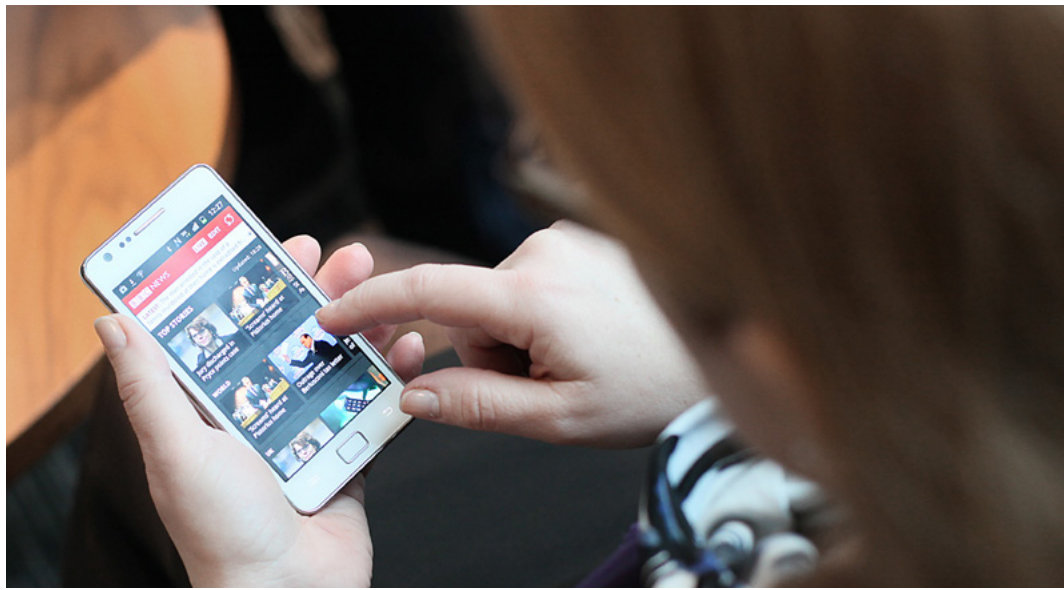
We hope you enjoy these insights from some of the brightest in the Canadian E&M scene.

A handwritten signature in black ink that reads "Darren".

**Darren Henderson**  
National Leader, Entertainment and Media  
PwC Canada

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*Cord cutting isn't the  
issue—convenience is*



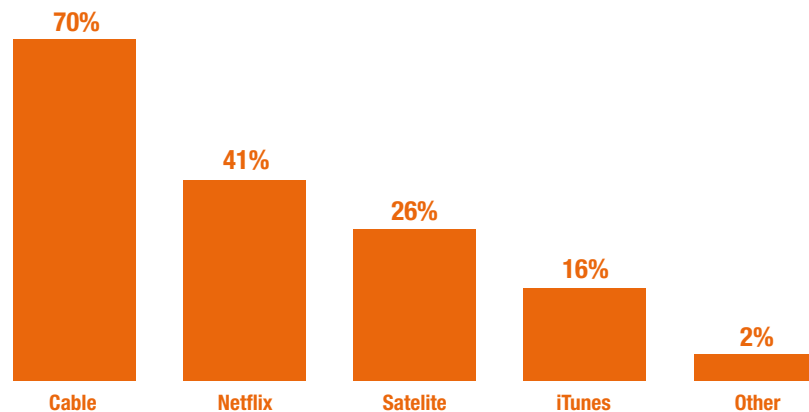
If there's going to be a tipping point when it comes to consumers cutting the cord, few expect it's going to happen within the next five years. Scott Moore, President of Broadcast at Rogers Media suggests, "As an industry we're really good about announcing the death of our business before all the vital signs have been checked."

And he's right when it comes to subscription television. The 2013 PwC US Consumer Intelligence Series: Video content consumption survey showed that traditional cable subscriptions still dominate in the marketplace, with 70% of respondents saying they have a traditional cable subscription. Although, the significant number of respondents with other, possibly complementary, over-the-top (OTT) services (e.g. Netflix, iTunes) suggests that television (subscription and otherwise) is just becoming one piece of a larger puzzle that now includes delivery through OTT, mobile and other platforms.

But surely the proliferation of OTT providers is having an impact on traditional distributors?

**Figure 1: Which of the following Pay TV packages do you have now?**

Source: PwC US Consumer Intelligence Series: Video content consumption, 2013



Karen Thorne-Stone, President and CEO of the Ontario Media Development Corporation agrees with Moore. "I don't think the reality is nearly as bold as the threat," she explains. "I think that some of that has to do with the fact that people realize, whether it's before or after they cut the cord, that there is a real value in curatorial service."

Increasing OTT subscribers means additional opportunities for producers to sell their content. Increased usage may also put pressure on funding agencies to further expand their evaluation criteria.

The requirement for a Canadian broadcast license shouldn't always be necessary, especially if content producers have other, viable avenues for distributing content.



Andrew Akman, COO of Cineflix Media explains. “Broadcasters remain the single most important part of the value chain. And, as they launch their own OTT platforms to compete with other buyers of original content, it’s great news for content producers.”

Gary Maavara, Executive Vice President and General Counsel at Corus Entertainment Inc. sees a different challenge when it comes to multiplatform viewing. “Rights management has become very complex. You have to cover so many platforms. We need to be able to automate it.” Automation can help production and distribution companies get the most out of the rights they hold, whether across platforms or jurisdictional boundaries. Automated systems can also simplify the rights expiration and renewal process.

All you need to do is look at the newspaper industry to see examples of how traditional media companies are adapting to the new reality of content demand and provision. As traditional

sources of subscription revenues declined, newspapers faced the biggest changes. First, they had to provide content at all hours of the day. Then, they had to meet demand for multimedia and video. And on, and on, and on. In reality, for the past ten years, newspapers have been in a state of constant innovation—a state no one sees an end to.

While most newspaper companies are continuing to experiment with new avenues of engaging their audience and creating revenue—like the pay wall model—most have long accepted that consumer demand has tipped their industry on its head. Newspapers are feverishly testing new models of content delivery and new sources of revenue to replace declining traditional subscription and advertising spend.

At Torstar, there is a deep belief in the equality and relevance of what we publish and the strength of our brands. We have a great opportunity to profitably build our brands and audiences in a multiplatform world,” David Holland, President and CEO says. “Local brands will remain important even in a digital world as they represent unique and trusted content. We can’t play in the commodity space in this globally competitive media environment but local resonates and we are uniquely positioned to build loyalty to local brands. Our challenge will be sizing our cost base to deliver value at a fair price to our readers and advertisers.”



To monitor developments related to Eye on Canada, follow **#EyeonCanada** on Twitter

For Wayne Parrish, COO of Postmedia Network Inc., the new normal is like a concert. “We think there’s going to be magic in the conductor leading and guiding the media quartet [the four platforms] through the news of the day,” he explains. “How you orchestrate and deploy that media quartet against the demands of the audience is something that is really crucial.”

For Canadian broadcasters, distributors and cable companies, the way of the future looks to be in finding the right balance of quality product, price and easy access. “We can’t compete with the marketing budgets of the US,” Heaton Dyer, Executive Director of Strategy at the CBC explains.

Most producers and distributors would agree that we make great content in Canada, but the challenge is getting it to consumers. “The recommendation engine philosophy is as simple as improving discovery of content and connecting people with stuff they didn’t know they liked,” says Dryer.

Who will develop such a recommendation engine—and whether it will be a collaborative enterprise remains to be seen. Initially, Eye on Canada, a concept supported by a range of Canadian funding agencies (e.g. Canada Media Fund, Telefilm Canada, the Canadian Media Production Association), was going to be used as a platform for sharing Canadian content. But industry advancements shifted the focus to one of product availability.

“Our motto is the ABCs—  
Audience, branding and content.  
But to survive, you can’t forget  
about the D. Dollars.”

Executive  
The Globe and Mail

“I don’t think that it’s for us to create the platform,” Carolle Brabant, Executive Director of Telefilm Canada says. “It’s for us to make sure that the content is available on some platform and that there are links or a place where you can have the information on where to go to see Canadian content.”

From the producer and distributor side, most would agree that there have been a lot of advances in recent years. “Some new distributors of content have remarkable knowledge about what their customers want and what they’ve chosen.

They’ve got analytics and they can recommend back to you examples of content that are in line or similar to what they know you’ve been using,” says Michael MacMillan, CEO of Blue Ant Media. He further explains, “Content is King; but, quality content for one audience may not be quality content for another. Appreciating that distinction is critical to win in the world of content marketing.”

## Our thoughts

We don't believe there's going to be a tipping point within the next five years when it comes to cord cutting or drastic cord shaving. What we do think is everyone in the sector needs to be aware of the growing complexities within the E&M ecosystem—and the drive of consumers for My Media, content tailored for them, which can be accessed from anywhere at any time.

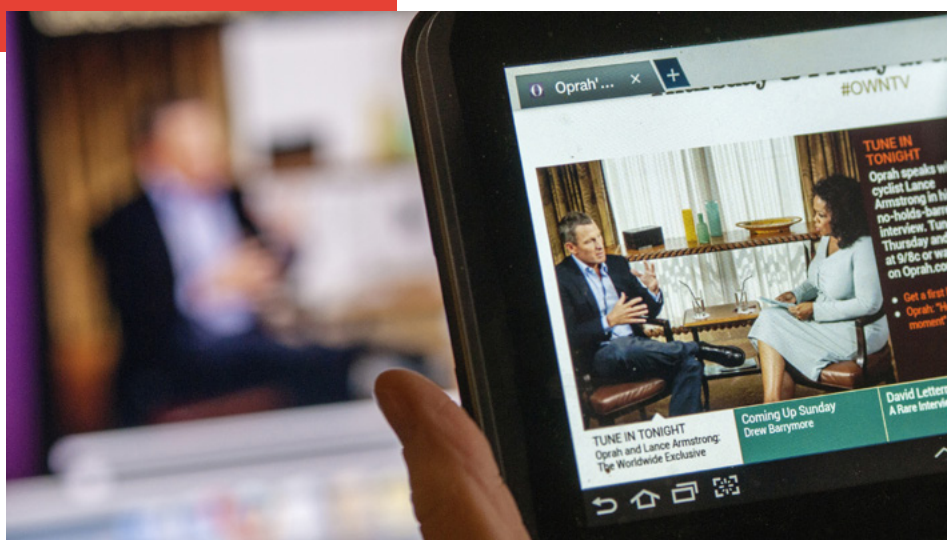
Whatever the platform, Canadian E&M companies need to make it simple for consumers to find and access their content, otherwise it won't happen. As long as consumers believe they're getting value for money, they'll likely continue to pay for content, especially when access is easy. In the future, though, E&M companies will need to watch the fine balance between price and quality content. If this balance gets too far out of line, there will be a tipping point for consumers.

As Raja Khanna, CEO, Television & Digital of Blue Ant Media says, "When consumers feel they can get the content they want to watch on every screen they want. When someone finds a way in the Canadian market to offer that—at a price point that's attractive—everything will change quickly."

The opportunity for Canadian E&M sector participants is to work together to create a streamlined recommendation engine or source of curated content for Canadian content that is holistic enough to meet the needs of consumers and compete with global content providers. Content companies should also continue to investigate innovative ways to engage customers and to take full advantage of the analytical opportunities available to them, through any platform, so that they're better equipped to gain support for their projects.

### ***Cord cutting: challenge or opportunity?***

Entertainment and media leaders share their thoughts on the real impact of cord cutting on the industry. Watch and listen.







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## *Second screen: friend or foe?*

While consumers still flock to traditional mediums for content, there's a clear shift in what else they're doing while watching those mediums. Texting friends on a cell phone. Posting to Twitter, Facebook or Instagram. Playing video games.

In fact, social TV activity has nearly tripled—from 35 million interactions on Facebook, Twitter and Google in the second quarter of 2011 to 95 million in the second quarter of 2012. And 76% of those who post about TV shows are doing so while watching programs live.

The challenge for industry participants is how to take advantage of the multi-tasking brain of the consumer. How to keep them engaged with content across platforms, whether it's during a show—or across the breaks between commercials, episodes or seasons.

Or maybe, the challenge starts long before the content gets developed. At least, that's what J. Joly, CEO of CineCoup—a film accelerator believes. Joly suggests, “We need to stop thinking about this linear model where first I get the script written, and then I need to produce it and then I need to get a distributor and so on... and the last thing I think about is the audience. [At Cinecoup] we won't even finance a project unless it has significant audience equity built in at an organic stage. It's kind of flipping the model on its head.”

“Big Brother Canada this year was the poster child for all of that “second screen”. Millions engaged in every way we would offer it to them. And the more we offered the more they engaged.

They signed up and played the game. They totally went to town to try and earn their points to change the TV show. They watched the live feeds in droves. They watched the television show in droves.

We thought, well it's essentially an in-the-moment show so the PVR numbers aren't going to be big, but they were enormous. We were blown away.”

Barbara Williams,  
Senior Vice President of Content at Shaw Media

So if the second screen is primarily about building engagement—whose job is it?

Vince Commisso, President and CEO of 9 Story Entertainment, sees engagement as both the responsibility of the broadcaster and the producer. “The real opportunity is to extend the brand from a marketing standpoint. If the kids that you're trying to get into television are already aware of the brand because they've played a game app that they've enjoyed, it's a win. At the end of the day, regardless of who fights for what piece of the pie, you're still in this wonderful position where you're working together to grab an audience—and everyone's challenge today is to figure out the best and broadest ways to do that.”

Of course, the verdict is still out on whether the second screen can make money. “I would like to have a business model built around what we do in that area,” says Michael McGuigan, CFO and Managing Director of Digital Media at Breakthrough Entertainment. “You want





to be there when it really takes off...but I don't think the business model is there yet. There is not one business model. There's a whole mishmash of them. It's like the flavor of the month."

Wayne Zronik, Vice President of Live Entertainment at Maple Leaf Sports and Entertainment sees how the second screen can drive connections between engagement and revenue, but for him, it all comes down to data. "This is all about analytics and understanding what people are doing online, what their preferences are and being able to link directly to them."

The challenge is that Canadians aren't the quickest to share personal information. Companies need to be patient and incent fans to get involved. "We have to look at creative ways to bring people into those communities, to where they become insiders," Zronik explains. "We get a lot on the [Toronto Maple] Leafs side just through allowing them access to tickets and through contesting on the live side."

And figuring out what to do with the data is just as important as collecting it. This means that engagement measures need to expand beyond the traditional model of impressions and click-throughs.

"I think the measurability for us—the currency for premium publishers—is going to have to evolve to engagement currency," suggests Andrew Saunders, CRO at the Globe and Mail. "We're thinking about a combination of impression driven, engagement driven and performance driven metrics." Multi-dimensional data can be a cornerstone for creating a stronger value proposition for advertisers. "Ultimately, we can go [to the advertiser] and say, what is it worth having your ad seen for 150 hours?"

Enhanced engagement is the glue that could link consumers to E&M industry participants for the long-term. As Valerie Creighton, President and CEO of the Canada Media Fund (CMF) says, "What we're seeing is that the engagement of super fans or fans in general is an incredible mechanism to drive towards discoverability of content...I find that one of the most hopeful things for the future of content is getting engagement at that level."

## Our thoughts

The second screen is an important complement to content, especially from an engagement point of view. It can help industry participants engage with consumers and gain valuable data. When it comes to the second screen, we believe there are three success factors that the Canadian E&M sector participants need to consider:

**1. Collaborate with sponsors on advertising.** In a world of multi-tasking consumers, there's no surprise that companies should be looking for opportunities to integrate advertising and sponsorships more holistically than ever before. Shaw Media does this with Top Chef Canada, integrating sponsors into all aspects of the show in order to drive additional revenue.

But to make this model work on a broader scale, it's not just the E&M industry that needs to change how they think about advertising; advertising agencies need to reshape how they sell advertising and how they're measuring results. In Canada, measures for online and interactive advertising are still in their infancy and not consistent within the industry. This is concerning given digital advertising is expected to grow from 30% share of total advertising to 41% in 2017. E&M sector participants should work together to establish comparable metrics that can be used to create a stronger value proposition for advertising value across platforms.

**2. Harness the potential of your super-fans.** Your fans can be your best marketers—and it doesn't have to cost much to get them engaged. As J. Joly of CineCoup says, "The social web's all about ego. Put them on a leaderboard." Providing access to unique "inside the ropes" experiences is one way to help turn your super-fans into your most loyal advocates, helping you obtain more insightful data about the people engaging with your content. And it's the access to this unique, individual-level customer data that all content creators crave that can set you apart when it comes to generating advertising dollars. The caveat here is to make sure what you're doing has a benefit—and that you're protecting the privacy of your fans. Alienated fans can cause negativity you don't want across social media platforms.

**3. Nurture the conversation, not just the product.** For a second screen strategy to be successful, it can't just be about incremental advertising revenue. It needs to be about building a community—an engaged audience that will drive conversation about the product across platforms. In today's networked economy, social engagement and online "word-of-mouth" dialogue can drive increased loyalty to a brand and keep viewers going back to the primary revenue-generating content platforms.

## Innovation and agility

As more companies look to respond to consumer demands for an individual experience, what tools and strategies are they using to understand what the consumer wants? Watch and listen.



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## ***Strategic alliances:***

strategic alliances—focus on the core  
and let experts do the rest



As Canadian companies seek ways to harness the second screen and digital distribution, many are realizing that doing so in-house is expensive. Several see it as far more cost effective to develop strategic alliances with other organizations that can share costs, provide technology expertise, extend reach into a new platform, or provide access to a new or larger audience base.

In the newspaper industry, alliances are common—because most newspapers have realized that competition has changed. Doug Lamb, Executive Vice President and CFO at Postmedia Network Inc. explains, “We’ve got a number with Sun Media and The Globe and Mail related to shared distribution. It [the changing model of the newspaper business] really forces you to focus on your core and what you do well and outsource everything else to someone with greater expertise.”

In the production space, marbledmedia is always on the lookout for partnership opportunities, even with companies that some see as their competitors. Mark Bishop, Co-CEO and Executive Producer at marbledmedia explains: “We’ve always believed that collaboration is key... We’re developing a couple of shows with Epitome... a fantastic company. And people say why would you do that? But we see it as an opportunity to grow—to grow and do more as we’re moving marbledmedia towards prime time.”



For other companies in the Canadian E&M industry, alliances are more experimental. DHX Media’s recent partnership with YouTube to provide paid subscription channels is a great example. “I don’t know if they’d call it a strategic alliance,” Steven DeNure, President and COO of DHX Media says. “What Google and YouTube have done is they’ve formed strategic alliances in a way with a whole bunch of different content owners to launch channels—50 channels. And so we’re part of that group and I think for us that’s one of the key things that we’ve really been focused on in the last little while and obviously very keen to just see how that translates into revenue.”

Only time will tell whether the DHX-YouTube alliance and others make money—but the fact companies are trying says a lot about perceived value.

And it’s not just new platforms that offer opportunities for strategic alliances. It’s the increasing ease of entry into other markets—through OTT and other distribution mechanisms. The issue for Canadian companies wanting to harness these new avenues to go global comes down to size. There are hundreds of small production companies in Canada—many working to identify new avenues of distribution on their own. There is a real opportunity for these companies to forge strategic alliances that increase their clout in the global marketplace and potentially create more revenue for all as a result.

## Our thoughts

Strategic alliances can take many different shapes. The important thing for the E&M industry is not to overlook the potential value that can be achieved by working with others—whether they're your peers, other complementary businesses or funding agencies. At the basic level, you might consider what newspapers are already doing with their distribution—sharing services. From applying for tax credits to rights management, there are a number of general services that producers could fund together that could lower costs while not infringing on the independent vision of content creation.

Working with funders to think outside of the box—like the pilot project to free up content rights in order to increase access to Canadian content on multiple platforms—could also create revenue opportunities that don't exist today—ones that an independent distributor or producer might not be able to take advantage of on their own.

While size does matter in the E&M sector, mergers and acquisitions aren't the only way forward. Working together through alliances and other experimental joint ventures could help companies achieve the same benefit as bigger organizations—like achieving success beyond Canada's borders—while leaving them autonomous with respect to content development.

## *Strategic alliances*

Entertainment and media leaders discuss their primary business drivers behind forging strategic alliances. Watch and listen.







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# *Forging the future*



Looking to the future, we expect the Canadian entertainment and media sector will continue to thrive—with a projected sector wide compound annual growth rate of 5% between 2013 and 2017.

This doesn't mean the industry won't have its challenges; new technologies and rapidly evolving consumer demands are forcing companies to rethink their roles in the E&M sector ecosystem. Many are experimenting with new models to generate revenue, alternative methods to attract and measure advertising, and innovative ways to connect and engage with their consumers.

While we believe existing business models will continue to dominate for the foreseeable future, the success of such experimentation will also resonate long term, especially when it comes to customer engagement. Finding a way to easily link consumers to the great content being produced in Canada—even when they don't know it exists—could play a pivotal role in helping the sector move ahead.

With innovation almost a constant, it's an exciting time for the entertainment and media sector in Canada. Over the next year, we'll continue to engage with industry executives on the issues top of mind for them, and look forward to bringing you additional solutions and insights.

## *Game changers*

Entertainment and media leaders identify the game changing issues impacting the entertainment and media industry today. Watch and listen.







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# *Appendix*

# Entertainment and media advertising spend in Canada (CDN\$ millions)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2013-2017 CAGR
<b>Business-to-business</b>											
Directory advertising											
Digital directory advertising	167	209	256	315	379	432	480	527	580	628	10.6
Print directory advertising	1167	1054	1009	904	775	652	545	451	373	312	-16.7
<b>Total directory advertising</b>	<b>1334</b>	<b>1263</b>	<b>1265</b>	<b>1219</b>	<b>1155</b>	<b>1085</b>	<b>1025</b>	<b>978</b>	<b>954</b>	<b>940</b>	<b>-4</b>
Trade magazine advertising											
Trade magazine digital advertising a	11	19	31	47	64	79	89	95	99	99	9.1
Trade magazine print advertising	196	162	161	153	146	139	132	125	119	112	-5.2
<b>Total trade magazine advertising</b>	<b>207</b>	<b>181</b>	<b>192</b>	<b>200</b>	<b>210</b>	<b>218</b>	<b>221</b>	<b>220</b>	<b>218</b>	<b>211</b>	<b>0.1</b>
<b>Total business-to-business</b>	<b>1541</b>	<b>1444</b>	<b>1457</b>	<b>1419</b>	<b>1365</b>	<b>1303</b>	<b>1246</b>	<b>1199</b>	<b>1171</b>	<b>1151</b>	<b>-3.4</b>
<b>Consumer and educational book publishing</b>											
Consumer magazine advertising											
Consumer magazine digital advertising	23	39	66	101	142	180	206	227	242	248	11.8
Consumer magazine print advertising	983	840	862	843	833	819	803	786	768	750	-2.1
<b>Total consumer magazine advertising</b>	<b>1005</b>	<b>878</b>	<b>928</b>	<b>945</b>	<b>974</b>	<b>999</b>	<b>1009</b>	<b>1013</b>	<b>1010</b>	<b>998</b>	<b>0.5</b>
<b>Internet access: wired and mobile</b>											
Mobile internet advertising	7	23	47	74	113	140	173	211	257	311	22.4
Wired internet advertising											
Internet classified advertising	460	467	587	675	736	816	890	953	1038	1128	8.9
Display internet advertising	490	578	688	798	916	1051	1198	1355	1526	1709	13.3
Internet advertising, video	50	60	76	98	141	209	299	413	524	649	35.6
Internet search advertising	622	741	907	1107	1328	1534	1759	2001	2268	2556	14
<b>Total wired internet advertising</b>	<b>1622</b>	<b>1846</b>	<b>2258</b>	<b>2678</b>	<b>3121</b>	<b>3610</b>	<b>4146</b>	<b>4722</b>	<b>5357</b>	<b>6042</b>	<b>14.1</b>
<b>Total internet advertising: wired and mobile</b>	<b>1629</b>	<b>1869</b>	<b>2305</b>	<b>2752</b>	<b>3234</b>	<b>3751</b>	<b>4319</b>	<b>4933</b>	<b>5614</b>	<b>6353</b>	<b>14.5</b>
<b>Newspaper publishing</b>											
Newspaper publishing digital advertising	181	186	214	246	266	291	324	359	397	439	10.5
Newspaper publishing print advertising											
Newspaper print classified advertising	856	651	420	296	269	244	225	208	191	175	-8.3
Print newspaper national advertising	325	247	419	501	472	443	423	403	382	362	-5.2
Print newspaper retail advertising	1307	1132	1263	1174	1074	979	908	840	774	711	-7.9
<b>Total newspaper publishing print advertising</b>	<b>2489</b>	<b>2030</b>	<b>2103</b>	<b>1970</b>	<b>1815</b>	<b>1667</b>	<b>1556</b>	<b>1451</b>	<b>1347</b>	<b>1248</b>	<b>-7.2</b>
<b>Total newspaper publishing advertising</b>	<b>2670</b>	<b>2216</b>	<b>2316</b>	<b>2216</b>	<b>2081</b>	<b>1958</b>	<b>1879</b>	<b>1810</b>	<b>1745</b>	<b>1687</b>	<b>-4.1</b>
<b>Out-of-home advertising</b>	<b>504</b>	<b>453</b>	<b>524</b>	<b>536</b>	<b>565</b>	<b>621</b>	<b>669</b>	<b>707</b>	<b>745</b>	<b>778</b>	<b>6.6</b>

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2013-2017 CAGR
<b>Radio</b>											
Satellite radio advertising	1	1	1	1	1	2	3	4	5	5	32.1
Terrestrial radio advertising											
Terrestrial radio broadcast advertising	1590	1499	1549	1617	1652	1705	1752	1797	1840	1884	2.7
Terrestrial radio online advertising	2	3	4	6	7	9	11	14	16	18	19.4
<b>Total terrestrial radio advertising</b>	<b>1592</b>	<b>1502</b>	<b>1553</b>	<b>1623</b>	<b>1660</b>	<b>1715</b>	<b>1763</b>	<b>1810</b>	<b>1856</b>	<b>1902</b>	<b>2.8</b>
<b>Total radio advertising</b>	<b>1593</b>	<b>1503</b>	<b>1554</b>	<b>1624</b>	<b>1661</b>	<b>1717</b>	<b>1766</b>	<b>1814</b>	<b>1861</b>	<b>1907</b>	<b>2.8</b>
<b>Television</b>											
Multichannel television	1026	1001	1112	1233	1253	1279	1312	1336	1371	1396	2.2
Terrestrial television	2366	2102	2278	2319	2326	2353	2393	2415	2456	2478	1.3
<b>Total television broadcast advertising</b>	<b>3392</b>	<b>3103</b>	<b>3390</b>	<b>3552</b>	<b>3579</b>	<b>3632</b>	<b>3705</b>	<b>3751</b>	<b>3826</b>	<b>3874</b>	<b>1.6</b>
Online television advertising	49	55	57	63	84	103	147	204	207	222	21.5
<b>Total television advertising</b>	<b>3441</b>	<b>3158</b>	<b>3446</b>	<b>3615</b>	<b>3662</b>	<b>3735</b>	<b>3852</b>	<b>3955</b>	<b>4033</b>	<b>4096</b>	<b>2.3</b>
<b>Video games</b>											
Video games advertising	35	43	57	69	78	89	102	117	131	147	13.4
<b>Total entertainment and media advertising spend</b>	<b>11986</b>	<b>11055</b>	<b>11960</b>	<b>12398</b>	<b>12679</b>	<b>13077</b>	<b>13585</b>	<b>14122</b>	<b>14769</b>	<b>15463</b>	<b>4</b>

Source: Global Entertainment and Media Outlook 2013–2017, PwC, 2013

## Entertainment and media spend in Canada (CDN\$ millions)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2013-2017 CAGR
Business-to-business											
Business information	4158	3462	3714	3874	4071	4193	4334	4484	4640	4800	3.4
Directory advertising	1334	1263	1265	1219	1155	1085	1025	978	954	940	-4
Professional books	481	458	429	423	434	440	438	436	434	433	-0.1
Trade magazine publishing	357	321	321	320	329	335	336	337	336	333	0.3
Trade shows	497	426	414	446	444	451	460	469	478	487	1.9
<b>Total business-to-business</b>	<b>6827</b>	<b>5930</b>	<b>6142</b>	<b>6282</b>	<b>6432</b>	<b>6504</b>	<b>6594</b>	<b>6704</b>	<b>6842</b>	<b>6993</b>	<b>1.7</b>
Consumer and educational book publishing	1521	1471	1622	1653	1655	1684	1709	1735	1757	1777	1.4
Consumer magazine publishing	1759	1588	1593	1570	1604	1625	1627	1629	1626	1617	0.2
Filmed entertainment	2997	3015	2947	3068	3091	3135	3188	3256	3343	3443	2.2
Internet access: wired and mobile	4638	5314	6417	7425	8365	9682	11007	12441	14029	15753	13.5
Internet advertising: wired and mobile	1629	1869	2305	2752	3234	3751	4319	4933	5614	6353	14.5
Newspaper publishing	3478	3030	3141	3014	2867	2732	2640	2559	2482	2414	-3.4
Out-of-home advertising	504	453	524	536	565	621	669	707	745	778	6.6
Radio	1776	1694	1756	1863	1921	1999	2073	2147	2220	2295	3.6
Music	1394	1389	1282	1301	1339	1369	1394	1422	1445	1466	1.8
Television advertising	3441	3158	3446	3615	3662	3735	3852	3955	4033	4096	2.3
TV subscriptions and licence fees	6140	6421	6790	6883	6850	6764	6673	6615	6393	6445	-1.2
Video games	1440	1263	1319	1238	1070	1123	1201	1264	1328	1375	5.1
<b>Total entertainment and media spend</b>	<b>36987</b>	<b>35936</b>	<b>38495</b>	<b>40244</b>	<b>41518</b>	<b>43411</b>	<b>45460</b>	<b>47700</b>	<b>50060</b>	<b>52894</b>	<b>5</b>

Source: Global Entertainment and Media Outlook 2013–2017, PwC, 2013

## Entertainment and media consumer spend in Canada (CDN\$ millions)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2013-2017 CAGR
Business-to-business	5286	4486	4684	4863	5067	5200	5348	5505	5671	5842	2.9
Consumer and educational book publishing	1521	1471	1622	1653	1655	1684	1709	1735	1757	1777	1.4
Consumer magazine publishing	753	709	665	625	629	626	618	616	616	620	-0.3
Filmed entertainment	2997	3015	2947	3068	3091	3135	3188	3256	3343	3443	2.2
Newspaper publishing	808	813	824	798	786	774	761	749	738	728	-1.5
Out-of-home advertising	-	-	-	-	-	-	-	-	-	-	-
Radio	182	191	202	239	260	283	307	333	359	387	8.3
Music	1394	1389	1282	1301	1339	1369	1394	1422	1445	1466	1.8
TV subscriptions and licence fees	6140	6421	6790	6883	6850	6764	6673	6615	6393	6445	-1.2
Video games	1404	1219	1263	1169	992	1034	1099	1147	1196	1228	4.4
<b>Total entertainment and media consumer spend</b>	<b>20363</b>	<b>19567</b>	<b>20117</b>	<b>20420</b>	<b>20474</b>	<b>20653</b>	<b>20867</b>	<b>21137</b>	<b>21263</b>	<b>21678</b>	<b>1.1</b>

Source: Global Entertainment and Media Outlook 2013–2017, PwC, 2013

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# Participant profiles

We would like to thank the following Canadian industry executives for sharing their insights on the opportunities and challenges facing the entertainment and media industry.

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## Andrew Akman

Chief Operating Officer,  
Cineflix Media Inc.



Andrew Akman oversees Cineflix Media's corporate operations, information technology and post-production. He's also responsible for setting up and overseeing the operations of partnerships and acquisitions.

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## Mark Bishop

Co-Chief Executive Officer/Executive Producer,  
marblemedia



Mark Bishop is a co-founder and Executive Producer of Toronto-based television and digital studio marblemedia. Along side his business partner Matt Hornburg, they have received international acclaim for their numerous hit series and websites including *This is Daniel Cook* and *This is Emily Yeung*, which air in over 90 countries and in 12 languages.

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## Carolle Brabant

Executive Director,  
Telefilm Canada



Since her appointment in March 2010, Carolle Brabant has distinguished herself through her leadership role in promoting Canadian talent and content in Canada and on the international scene. She spearheaded the creation of a new measurement to determine the success of Canadian feature films that takes into account their commercial, cultural and industrial achievements—an innovative approach that has garnered interest from around the world.

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## Vince Commisso

Co-Founding Partner, President and  
Chief Executive Officer,  
9 Story Entertainment



Vince Commisso is the co-founding Partner, President and CEO of 9 Story Entertainment, one of the industry's leading creators, producers and distributors of award-winning content for young audiences around the world. With responsibilities for leading the production, creative, technical and sales aspects of the company's activities, Vince has contributed to 9 Story's production of over 600 animated and live action episodes.

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## **Valerie Creighton**

President and CEO,  
Canada Media Fund



Since joining Canada Media Fund (CMF) in 2006 as President and CEO, Valerie Creighton's focus has been to position the CMF as a responsive and effective organization with funders, clients and other stakeholders. As well to enhance relationships with national and international interests, and to support and promote Canadian media content.

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## **Steven DeNure**

President and Chief Operating Officer,  
DHX Media



Steven DeNure, President and COO of DHX Media, is responsible for overseeing overall operations of DHX and its subsidiaries. He also serves as Executive Producer on many of the Company's television and interactive media projects. Steven co-founded Decode Entertainment in 1997 and in 2006 merged the operations of Decode with Halifax Film to create DHX.

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## **Heaton Dyer**

Executive Director,  
CBC



Heaton Dyer is executive director of programming, strategy and innovation at CBC news, Canada's national public broadcaster and one of the country's largest cultural institutions. The CBC provides a comprehensive range of television, radio, Internet, mobile and satellite-based services, covering News, Sports, Entertainment, Music and more.

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## **David P. Holland**

President and Chief Executive Officer,  
Torstar



David Holland is the President and CFO of Torstar. He served as Interim President and CEO from May 6, 2009, until November 19, 2009, and as Executive Vice President and CFO of Torstar since 2005. David has worked within the Torstar group of companies in various financial capacities since 1986.



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## **J. Joly**

Founder and Chief Executive Officer,  
CineCoup



In 2012, J. Joly founded CineCoup, a disruptive film studio that was accelerated through GrowLab. Prior to CineCoup he founded dimeRocker (OverInteractive Media) an award winning digital agency focused on branded gamification and social TV strategies. The Canadian pilot launched on 2013 with plans to roll out into other markets in early 2014.

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## **Raja Khanna**

Chief Executive Officer,  
Blue Ant Media, Television & Digital



Raja Khanna, a serial digital media entrepreneur, brings his company building experience to the television arena with Blue Ant Media. He manages all aspects of the company's growth, corporate development, and operations in both broadcasting and digital publishing. Raja is the co-founder of QuickPlay Media Inc., and also founded Snap Media Corp.

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## **Doug Lamb**

Executive Vice President and Chief Financial Officer,  
Postmedia Network Canada Corp.



Doug Lamb oversees finance and business services at Postmedia Network. He's a veteran Canadian newspaper executive with roles at Canwest, Torstar, Hollinger International Inc. and Southam Inc.

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## **Michael MacMillan**

Chief Executive Officer,  
Blue Ant Media



Michael MacMillan is the co-founder and CEO of Blue Ant Media, a new Canadian media company with an ownership in seven Canadian specialty television channels, as well as digital media properties and magazines. Michael was previously the Executive Chairman and CEO of Alliance Atlantis and co-founded Atlantis Films.

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## **Michael McGuigan**

Chief Financial Officer and Managing Partner,  
Digital Media,  
Breakthrough Entertainment Inc.

Michael McGuigan is the CFO and Managing Partner of the Interactive Division at Breakthrough Entertainment. Michael has acted as Executive Producer on all of Breakthrough's interactive projects for the past 10 years which includes websites and online, ITV and iPhone and mobile games.

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## **Gary Maavara**

Executive Vice President and General Counsel,  
Corporate Secretary,  
Corus Entertainment Inc.



Gary Maavara oversees all legal and regulatory affairs associated with Corus Entertainment's extensive operations in radio, television, programming, films, books, music, toys and websites. He also acts as the Corporate Secretary.

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## **Scott Moore**

President, Broadcasting,  
Rogers Media Inc.



Scott Moore is responsible for overseeing the programming, sales, production, regulatory, engineering and distribution for Rogers Media television including Sportsnet, Sportsnet World, Sportsnet One, Citytv, OMNI, Bio, OLN, G4 and FX Canada, as well as for all 55 Rogers Media radio stations across Canada. He's also an award-winning television with more than 20 years of industry experience.

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## **Wayne Parrish**

Chief Operating Officer,  
Postmedia Network Canada Corp.



Wayne Parrish was appointed in July 2010 to oversee Postmedia's business transformation. As COO he oversees Postmedia's business development as well as the operations of all of Postmedia's newspapers.

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## **Karen Thorne-Stone**

President and Chief Executive Officer,  
Ontario Media Development Corporation (OMDC)



Karen Thorne-Stone is the President and CEO of the OMDC, a provincial agency which supports economic development, growth and investment in Ontario's cultural media industries including: film and television, interactive digital media, music, book and magazine publishing.

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## **Andrew Saunders**

Chief Revenue Officer,  
The Globe and Mail



Andrew Saunders oversees The Globe and Mail's print and digital product advertising, subscription revenue and audience data analytics. He has over two decades of multiplatform media experience, with deep expertise in managing integrated sales efforts and maximizing commercial value through print, magazine, digital, mobile and custom content properties.

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## **Barbara Williams**

Senior Vice President, Content,  
Shaw Media



Barb Williams oversees the creation of Canadian original productions, acquisition of top US and international series, and scheduling for Shaw Media's conventional television network and 18 specialty channels.

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## **Wayne Zronik**

Vice President, Finance,  
Maple Leaf Sports and Entertainment

Wayne Zronik is responsible for the programming, presentation and marketing of Live Entertainment events at MLSE's venues, which include the Air Canada Centre, one of the top sports and entertainment facilities in the world, in addition to Ricoh Coliseum and BMO Field. Wayne also manages MLSE's regional partnership with Live Nation, the largest concert promoter in the world. He's also responsible for the ticketing operations at MLSE.



## ***Global Entertainment and Media Outlook: 2013–2017***

Each year, PwC's global team of entertainment and media experts generates unbiased, in-depth forecasts for 13 industry segments. Incorporating data from 4 principal regions comprising 50 countries and areas around the world, *Global entertainment and media outlook: 2013–2017* combines deep knowledge of local markets with a truly global perspective—a powerful tool for understanding critical business issues.

To learn more about the challenges and opportunities ahead for the Canadian entertainment and media industry, please visit [\*\*www.pwc.com/ca/emoutlook\*\*](http://www.pwc.com/ca/emoutlook).

## About PwC

PwC provides industry-focused assurance, consulting and tax solutions and services to build public trust and enhance value for its clients and their stakeholders. More than 180,000 people in 156 countries across our network share their thinking, experience and solutions to develop fresh perspectives and practical advice. In Canada, PwC has more than 6,500 partners and staff in offices across the country. To learn more about PwC, visit [www.pwc.com/ca](http://www.pwc.com/ca).

## Contacts

Contact us today for more information and insights into the Canadian E&M sector, and to see how we can help your organization rise to the challenge.

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